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Opening Statement
Energy & Commerce Subcommittee on Health
“Examining Barriers to Expanding Innovative, Value-Based Care in
Medicine”
Thursday, September 13, 2018

(As prepared for delivery)

Good afternoon. Today, we convene to discuss a topic that is of the utmost importance to the health care industry at large, the ever-evolving transition to value-based care as well as new ways of assuming risk and the role technology can play in these efforts. Over the course of the last few years, our health care system has begun to shift towards rewarding physicians for the quality of care provided, rather than quantity. Building off these efforts, providers, health systems and payors are willing to explore new value-based arrangements that open the door to providing new benefits for beneficiaries. I am sure many of the members of this Subcommittee have taken numerous meetings regarding this topic, especially in the past several years as the shift to value-based care has accelerated.

Notably, Congress passed the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) in the 114th Congress. This was a critical step in the right direction as we helped begin to shift Medicare towards being a more value-based payment system. We have held various other hearings about MACRA, including the Merit-Based Incentive Payments System, as we conduct oversight on the implementation of this crucial law.

Much of the work that this Subcommittee conducts is to oversee and influence the health care industry in moving care coordination into the 21st Century. MACRA provided the platform for this effort to do so, and today we will hear from people on the front lines who are working to deliver better outcomes and lower costs. This hearing will provide us with a wealth of information as we move forward in assessing the value-based payments space, where it holds the most promise, and where there may be barriers that Congress might consider examining in the future to ensure its success.

Value-based care models have been largely effective and have gained support throughout the country as they have proven to improve quality of care and lower costs – boasting positive outcomes for patients, physicians, insurers, and the overall health care system. As we have heard from witnesses at other hearings on

this topic, taking these models on as a physician or health care system can be a difficult, yet rewarding task.

As a physician and as a Congressman, I believe it is important for physicians and health systems to take on risk when it can lead to rewarding outcomes, both for them and for their patients. Promoting innovation and quality are essential to modernizing American health care and enabling our world-class physicians to focus on providing coordinated, quality care to their patients.

Value-based models have evolved over time since their inception in the early 1990s, beginning with the efforts among private payers and state Medicaid programs to reward improvements in care with financial incentives. Models have grown broader and incentives more innovative as we have seen accountable care organizations and bundled payment programs, which address both quality and cost, take off across the country.

These newer, more advanced models have allowed for physicians and other health care professionals to voluntarily come together to provide more coordinated care for patients, rewarded physicians with bonuses or reductions in payments for hitting certain quality measures, and based payments on expected costs for specific episodes of care. These models are the future of health care, and it is important that Congress hear from the industry about how the implementation of such models works on the ground.

Today, we have the chance to hear from witnesses about models that they are working on and how there are or could be effective ways of improving quality of care or reducing cost. I suspect that we will hear about the critical role that laws we worked on, including MACRA, have played in expanding innovation, but that barriers to implementing potentially beneficial models still exist.

I look forward to hearing the thoughts of our expert panel of witnesses about their challenges and achievements in the world of value-based health care. Thank you to our witnesses for their willingness to testify today. We appreciate being able to have this important conversation and to learn from your expertise.